

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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June 13, 2006

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

SUBJECT: REDISTRIBUTION OF CALWORKS SINGLE ALLOCATION - FY 2005-06

This is to advise your Board of an anticipated statewide redistribution of CalWORKs Single Allocation (SA) for FY 2005-06. SA is State revenue that is used to fund administrative and direct services costs for four CalWORKs program components: Eligibility Administration, Welfare-to-Work (WtW) Employment Services, Cal-Learn, and Stage One Child Care. Our Los Angeles County SA is approximately \$530 million. While expenditures for this fiscal year are not finalized, our goal is to always maintain a contingency cushion for unanticipated expenditures without ever exceeding our overall budget allocation.

Child care caseloads have not increased as projected in the current-year state budget. As a result, the FY 2005-06 statewide SA includes \$114 million more in child care funding than is actually projected to be needed for child care. Although this excess funding may be used for any of the other CalWORKs program components, it creates the potential that current year SA will be underspent.

In spite of decreasing caseloads, some counties anticipate that they will overspend their CalWORKs budget allocations. In this context, the County Welfare Directors' Association (CWDA) has been working with the State to explore county-to-county shifts in SA in an effort to maximize expenditures for the State as a whole. CWDA has surveyed counties to determine if counties who are within budget can provide relief to counties that are projecting to overspend their allocations. By doing so, we can maximize SA usage statewide and thereby mitigate any challenges to our advocacy efforts to increase our FY 2006-07 SA. Increased SA funding for WtW Employment Services will be critical to county efforts to increase WtW participation as mandated by the 2006 federal Deficit Reduction Act's TANF Reauthorization provisions.

Several counties, including Los Angeles, have an anticipated SA cushion, and we have been asked to provide \$6.6 million, which is approximately 1.2 percent of our SA funding. Our shared distribution will not result in any reductions in services to our CalWORKs participants or adversely impact future SA funding.

BY:mjd

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

"To Enrich Lives Through Effective And Caring Service"